

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:887
ANSWERED ON:28.04.2016
Forgo Sops Gas Based Power Projects
Kothapalli Smt. Geetha

Will the Minister of POWER be pleased to state:

- (a) whether the gas-based power projects have to forego sops in the country; and
- (b) if so, the details thereof and reasons therefor?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,
COAL AND NEW & RENEWABLE ENERGY

(SHRI PIYUSH GOYAL)

(a) & (b) : Government of India has sanctioned a scheme for importing spot RLNG in 2015-16 and 2016-17 for the stranded gas based power plants as well as for plants receiving domestic gas upto the target PLF selected through a reverse e-bidding process. The scheme provides for financial support from PSDF (Power System Development Fund). The Scheme envisages sacrifices to be made collectively by all stakeholders, including the Central and State Governments by way of exemptions from applicable taxes and levies / duties on the incremental RLNG being imported for the purposes. The waivers provided under the scheme are as under:

- (i) Customs duty waiver on imported LNG;
- (ii) Waiver of Value Added Tax, Central Sales Tax, Octroi and Entry Tax;
- (iii) Reduction in pipeline tariff charges, regasification charges and marketing margin;
- (iv) Exemption from transmission charges and losses for stranded gas based power projects.

The Scheme is under implementation w.e.f. 1st June, 2015 and three rounds of auction have been completed.
